

Xcel Energy
Prairie Island Indian Community
City of Red Wing
Goodhue County
City of Monticello
Wright County

October 8, 2010

Honorable Lee Hamilton
General Brent Scowcroft
Co-chairs
Blue Ribbon Commission on America's Nuclear Future

Dear Chairmen Hamilton and Scowcroft:

First, thank you for your long service to our nation, both in your current capacity as co-chairs of the Blue Ribbon Commission and in your previous roles. Finding a permanent solution to the nation's nuclear waste problem is a difficult task. We believe it's critical that you have as much information as possible, particularly from those companies and communities closest to the issue.

Due to the federal government's failure to meet its legal and contractual obligations, Xcel Energy is storing used fuel on site in storage pools and dry storage facilities at its Prairie Island and Monticello nuclear plants in Minnesota. The Prairie Island plant is in the city of Red Wing in Goodhue County and next door to the Prairie Island Indian Community. The Monticello plant is in the city of Monticello in Wright County.

This situation exists in many other communities across the nation as well. We are writing to add our voices to those urging your commission to endorse immediate development of one or more centralized interim storage facilities for used nuclear fuel until a permanent disposal method can be developed and implemented. We also want to ask you to consider changing two policies that have stood in the way of finding a solution to this problem.

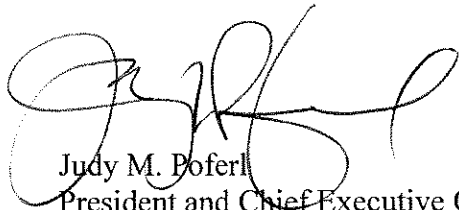
Given the federal government's commitments and obligations defined more than 25 years ago in the Nuclear Waste Policy Act of 1982, none of us imagined used fuel would still be building up at our nuclear plant sites with no realistic expectation that it will be removed to a permanent, geologic repository in the foreseeable future.

To regain the public's trust, we believe it's imperative that the federal government move quickly to develop a credible plan to manage used nuclear fuel and demonstrate by action its ability to implement that plan. The first step should be development of a centralized interim storage facility, which would demonstrate the federal government's commitment to fulfilling its legal obligations. We believe such a facility could be developed within this decade, and it would provide an opportunity to reaffirm the government's capability to safely transport and manage used fuel.

We also encourage the Blue Ribbon Commission to closely review two policies that have hindered the federal government's ability to fulfill its obligations under the Nuclear Waste Policy Act. Currently, Nuclear Waste Fund payments from customers are put in the general fund and can be appropriated for any purpose. We believe the Nuclear Waste Fund should be moved off-budget so it is available only for its intended purpose. Second, we believe nuclear waste policy should be set by Congress and the president and be implemented by a separate, government-owned corporation that's outside the political process. Currently, the policy varies based upon who occupies the president's office.

We support the commission's efforts to conduct evaluations and make recommendations regarding long-term plans including reprocessing and the establishment of a permanent national repository, but we strongly believe our customers and our communities deserve more immediate action given that the federal government already is 12 years over due on meeting its legal commitment. Our customers and communities deserve quick progress toward development of an interim, centralized storage facility and positive steps toward the other policy changes we suggest.

Thank you for your work on this very important undertaking. Let us know if we can assist in any way.



Judy M. Dofert
President and Chief Executive Officer
Northern States Power Co.-Minnesota,
an Xcel Energy company



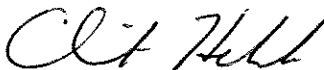
Victoria Winfrey
Tribal Council President
Prairie Island Indian Community



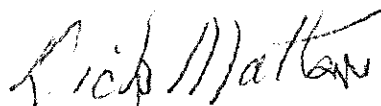
Michael V. Schultz
Council President
City of Red Wing



James Bryant
County Board Chairman
Goodhue County



Clint Herbst
Mayor
City of Monticello



Dick Mattson
County Board Chair
Wright County

Cc:

U.S. Sen. Amy Klobuchar

U.S. Sen. Al Franken

U.S. Rep. Tim Walz

U.S. Rep. John Kline

U.S. Rep. Erik Paulsen

U.S. Rep. Betty McCollum

U.S. Rep. Keith Ellison

U.S. Rep. Michele Bachmann

U.S. Rep. Collin Peterson

U.S. Rep. James Oberstar

Minnesota State Sen. Amy Koch

Minnesota State Sen. Steve Murphy

Minnesota State Sen. Prettner Solon

Minnesota State Rep. Tim Kelly

Minnesota State Rep. Bruce Anderson

Minnesota State Rep. Bill Hilty